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25 UNITED STATES DISTRICT COURT
26 NORTHERN DISTRICT OF CALIFORNIA
27 OAKLAND DIVISION

28 EPISTAR CORPORATION,
19 Plaintiff,
20 v.
21 PHILIPS LUMILEDS LIGHTING
22 COMPANY, LLC,
23 Defendant.

24 AND RELATED COUNTERCLAIMS
25

Case No. C 07-5194 CW

[PROPOSED] ORDER GRANTING
PHILIPS LUMILEDS LIGHTING
COMPANY'S MOTION TO STAY

1 **[PROPOSED] ORDER GRANTING MOTION TO STAY**

2 The Court having considered the papers submitted by the parties, the papers on file in this
 3 case, and good cause appearing, the Court hereby GRANTS Philips Lumileds Lighting Company,
 4 LLC's Motion to Stay and STAYS the above-entitled case in its entirety pending resolution of the
 5 United States International Trade Commission's investigation, titled *In the Matter of Certain*
 6 *High-Brightness Light Emitting Diodes and Products Containing Same*, Inv. No. 337-TA-55.

7 The determination of whether to grant a stay is soundly within the Court's discretion. *See*
 8 *Landis v. North American Co.*, 299 U.S. 248, 254 (1936) (concluding that the power to stay is
 9 "incidental to the power inherent in every court to control the disposition of the causes on its
 10 docket with economy of time and effort for itself, for counsel, and for litigants"). A stay may be
 11 the most efficient and fairest course where there are "independent proceedings which bear upon
 12 the case." *Leyva v. Certified Growers of Cal., Ltd.*, 593 F.2d 857, 863-64 (9th Cir. 1979).

13 In exercising its discretion to grant a stay, this Court has considered (1) the orderly course
 14 of justice measured in terms of the simplifying or complicating issues, proof, and questions of law
 15 which could be expected to result from a stay, (2) possible damage which may result from the
 16 granting of a stay, and (3) the hardship or inequity that a party may suffer in being forced to go
 17 forward. *Landis*, 299 U.S. at 255-56. The Court finds that all three factors weigh in favor of a
 18 stay of this action in its entirety pending the final determination of the ITC proceedings.

19 First, a stay will simplify the issues this Court must resolve. There is significant overlap
 20 between this case, the earlier-filed related case also pending before this Court (*Lumileds Lighting*
 21 *U.S., LLC v. Epistar Corp. & United Epitaxy Co., Ltd.*, Case No. 05-4521 CW), and the on-going
 22 ITC proceedings. Moreover, many of the claims, defenses, and issues in the two cases before this
 23 court are significantly intertwined. Case No. 05-4521 CW is currently stayed at Epistar's request
 24 pursuant to 28 U.S.C. § 1659 until the conclusion of the ITC proceedings. Allowing the ITC
 25 proceedings to conclude and thereafter (if necessary) resolving the two related cases before this
 26 Court in a coordinated manner will avoid piecemeal, duplicative litigation. *See Kerotest Mfg. Co.*
 27 *v. C-O-Two Fire Equipment Co.*, 342 U.S. 180 (1952). It will also minimize the burden on this

Court with regard to overseeing discovery disputes, dispositive motions, and trial, as the parties may resolve and narrow the issues to be decided and the number of hearings may be consolidated.

Second, Epistar will not be unduly prejudiced by staying this action. As discussed above, related Case No. 05-4521 CW is currently stayed at Epistar's request pursuant to 28 U.S.C. § 1659 until the conclusion of the ITC proceedings. In addition, the parties are actively litigating in the ITC a number of the underlying questions at issue here. Several of the decisions rendered by the ITC will have *res judicata* effect in this proceeding. *See Union Mfg. Co. v. Han Baek Trading Co.*, 763 F.2d 42, 45-46 (2d. Cir. 1985); *see also Electronics Proprietary, Ltd. v. Medtronic, Inc.*, 687 F. Supp. 832, 846 (S.D.N.Y. 1988). Accordingly, the ITC proceedings will both narrow the issues left for this Court to resolve and will resolve those aspects of the parties' dispute before they could be presented to this Court, even if the case were not stayed, because those proceedings are substantially further along than the two related cases in this Court.

Third, Lumileds will suffer hardship if this action is allowed to proceed, even in part, because it will be forced to litigate numerous overlapping issues at the same time in different forums. In addition, if this action is not stayed alongside related Case No. 05-4521, Lumileds will be forced to litigate many of the same issues twice.

Finally, the Court finds persuasive the determinate and limited duration of the requested stay.

For all of these reasons, IT IS HEREBY ORDERED that this case shall be stayed pending resolution of the ITC proceedings titled *In the Matter of Certain High-Brightness Light Emitting Diodes and Products Containing Same*, Inv. No. 337-TA-55. The parties are instructed to timely inform the Court when the ITC proceedings, and related appeal to the United States Court of Appeals for the Federal Circuit, have been completed.

IT IS SO ORDERED.

Dated:

CLAUDIA WILKEN
UNITED STATES DISTRICT JUDGE